

FISCAL NOTE

HB 2411 - SB 2468

January 30, 2002

SUMMARY OF BILL: Amends the retirement law by deleting:

- the requirement that a member must have been retired for at least one year from the Tennessee Consolidated Retirement System (TCRS) before returning to such full-time employment as a K-12 teacher.
- the condition that the appointment as a teacher cannot exceed one year at a time.

ESTIMATED FISCAL IMPACT:

**Increase State Expenditures - \$4,710,000 Annual Amortized Cost
\$77,000 Division of Retirement**

Increase Local Govt. Expenditures* - \$3,140,000 Annual Amortized Cost

Estimate assumes:

- Total lump sum liability of \$80,000,000
- 20-year amortization of lump sum liability
- Funding ratio between state and local is 60% state and 40% local education agencies
- Administrative costs of \$77,000 for two positions and related costs in the Division of Retirement

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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